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## National Mortgage Servicing Settlement FAQs

### When does the settlement take effect?

The settlement will take effect after it is filed in court and the court approves it. That may take weeks. We'll post updates on the Attorney General's website - [www.attorneygeneral.delaware.gov](http://www.attorneygeneral.delaware.gov).

### What activities does the settlement address?

This settlement that primarily addresses the banks' servicing of loans, including their handling of foreclosures. One of the primary areas of attention was the practice known as "robo-signing" where the banks submitted foreclosure documents that were not properly reviewed or notarized. This settlement holds the banks accountable for their servicing violations through substantial financial penalties and extensive consumer relief.

### What is a mortgage servicer and how do I know who services my loan?

A mortgage servicer administers mortgage loans, including collecting and recording payments from borrowers. A servicer also handles loan defaults and foreclosures, and may offer loss mitigation programs to assist delinquent borrowers. The company that you make your monthly payment to is your mortgage servicer. Your mortgage servicer may or may not be a lending institution and may or may not own your loan. Many of the loans administered by servicers are owned by third-party investors.

This settlement involves the nation's five largest mortgage servicers: **Ally, Bank of America, Citi, JPMorgan Chase and Wells Fargo**. Loans owned by Fannie Mae or Freddie Mac are not impacted by this settlement. You may visit the following websites to learn if your loan is owned by either Fannie Mae or Freddie Mac:

- [www.fanniemae.com/homeaffordable](http://www.fanniemae.com/homeaffordable)
- [www.freddiemac.com/avoidforeclosure](http://www.freddiemac.com/avoidforeclosure)

### How will I know whether this settlement affects my situation?

Because of the complexity of the mortgage market and this agreement, borrowers will not immediately know if they are eligible for relief. For loan modifications and refinance options, borrowers may be contacted directly by one of the five participating mortgage servicers. For payments to foreclosure victims, a settlement administrator will send claim forms to eligible persons.

Even if you are not contacted, if your loan is serviced by one of the five settling banks, you are encouraged to contact your servicer to see if you are eligible. Borrowers may contact their mortgage servicer to obtain more information about specific loan modification programs and whether the borrower may be impacted by this settlement.

The participating mortgage servicing banks have established phone numbers for their customers to call for information about their eligibility under the settlement:

**Bank of America: 1-877-488-7814**

**Citi: 1-866-272-4749**

**Chase: 1-866-372-6901**

**GMAC: 1-800-766-4622**

**Wells Fargo: 1-800-288-3212**

**Where can I go to learn more about the settlement?**

[www.attorneygeneral.delaware.gov](http://www.attorneygeneral.delaware.gov)

[www.NationalMortgageSettlement.com](http://www.NationalMortgageSettlement.com)

[www.HUD.gov](http://www.HUD.gov)

[www.Doj.gov](http://www.Doj.gov)

**Will there be payments to foreclosure victims?**

Yes. Approximately \$1.5 billion of the settlement funds will be allocated to compensation to borrowers who were foreclosed on after January 1, 2008. These borrowers will be notified of their right to file a claim. Borrowers who were not properly offered loss mitigation or who were otherwise improperly foreclosed on will be eligible for a uniform payment, which will be approximately \$2000 per borrower depending on level of response. Borrowers who receive payments will not have to release any claims and will be free to seek additional relief in the courts. Borrowers may also be eligible for a separate restitution process administered by the federal banking regulators.

**What about those of us who keep making our mortgage payments?**

Borrowers who are current in their payments but are “underwater” on their mortgages may qualify for refinancing relief under the settlement.

**How does the settlement affect my individual rights?**

The agreement does not affect any individual’s rights. A consumer may still bring an individual action, be a part of a class action, or seek further review/relief from the Office of the Comptroller of the Currency (OCC).